



Tours, Entertainment, Advertising & Music
A COMPANY

**PAYMENT OPTIONS FOR SOUNDTRACK RECORDS RELEASED IN CONNECTION WITH
A THEATRICAL MOTION PICTURE OR TV FILM**
(NOT including music scored in Canada)

The sole purpose of this chart is to summarize the provisions of the Agreement.
To the extent that any of the information contained in this chart is inconsistent with any provision of the Agreement, the provision of the Agreement will govern.

NOTE: B-4 REPORT FORM MUST SPECIFY OPTION PER CRITERIA BELOW AND DISCOUNT, IF TAKEN. EXAMPLES: "Option 1 w/Discount" or "Option 4"				
OPTION NO. TO REPORT ON B-4 REPORT FORM	OPTION 1 New subsection (per MOU)	OPTION 2 Ex. A.I(6)(c)(p.33)	OPTION 3 Ex. A.I(6)(a)(i)(p.32)	OPTION 4 Ex. A.I(6)(a)(ii)(p.32)
TYPE OF RELEASE	Any soundtrack record of 15,000 sales or less released in connection with a theatrical motion picture or TV film if: ♦ CD packaging includes required musician/AFM credits; and ♦ AFM receives 75 CDs on release	Any soundtrack record released in connection with a theatrical motion picture or TV film.	Any soundtrack record released in connection with a theatrical motion picture or TV film.	Any soundtrack record released in connection with a theatrical motion picture or TV film that uses <u>7½ minutes or less</u> of the sound track from the motion picture or TV film.
PAYMENTS DUE ON RELEASE SRLA wages = scale wages under the "basic scale" provisions of the Sound Recording Labor Agreement in effect when the sound recording is made. (pension contributions also due on all payments)	NO PAYMENT DUE ON RELEASE At release form B-4 is prepared at 50% of SRLA wages (less 15% discount if potentially applicable) and delivered to AFM, and filed only when 15,000 units sold threshold is reached.	25% of SRLA wages 15% discount may apply (see box below) If taking 15% discount: ♦ CD packaging must include required musician/AFM credits; and ♦ AFM receives 75 CDs on release	50% of SRLA wages 15% discount may apply (see box below) If taking 15% discount: ♦ CD packaging must include required musician/AFM credits; and ♦ AFM receives 75 CDs on release	100% of Scale Wages calculated using the "Special Session" Rate that would have been paid pursuant to the then effective SRLA.
DEFERRED PAYMENTS BASED ON UNITS RELEASED	♦ 50% of SRLA wages once sales reach 15,000 units (15% discount may apply – see box below) ♦ 50% of SRLA wages once sales reach 50,000 units ♦ 20% of SRLA wages once sales reach 100,000 units	♦ 25% of SRLA wages once sales exceed 25,000 net units ♦ 50% of SRLA wages once sales exceed 50,000 net units ♦ 20% of SRLA wages once sales exceed 100,000 units	♦ 50% of SRLA wages once sales exceed 50,000 net units ♦ 20% of SRLA wages once sales exceed 100,000 net units.	N/A

DIGITAL DOWNLOADS: Each sale of completed Soundtrack album = 1 unit sold. Each sale of individual Track = 1/12 unit sold.

Requirements: Musicians Credits in downloadable text (Soundtrack Album Art). Credits posted on website. Display credits on Retailer's page where download is to be purchased. Provide AFM with 25 "white label" copies of CD album.

15% Discount (Options 1-3 Only)

A 15% discount may be applied to first payments for soundtracks under options 1, 2, or 3 if:
♦ the soundtrack release uses **40** minutes or more of music that was utilized in the film and originally recorded for the film, and
♦ the soundtrack record utilizes **75** or more musicians (excluding orchestrators and music prep), and
♦ AFM credits and promotional copies are provided – see "AFM Credits" side box.

AFM Credits – Required when 15% discount taken

♦ AFM Logo or Credit, and
♦ Musicians from largest recording session for cue are credited by name and instrument, and
♦ Leader, Conductor, Orch. Mgr., Orchestrator, Librarian, Music Prep, Supervising Copyist, credited by name and position